

THE EUROPEAN UNION FUNDED
**INTERNATIONAL TRADE DEVELOPMENT
IN MONGOLIA (ITDM) PROJECT**
2023-2027

**Support for the sea buckthorn cluster initiative
through the EU funded ITDM project**

Carl E. Krug – ITDM Key Expert 2

EFFECTIVE TRADE POLICY,
TRADE FACILITATION
AND EXPORT PROMOTION



Main topics

1. Project objectives
2. Project components
3. Main partners
4. Development strategies
5. Export cluster development
6. Product development
7. Marketing channels
8. ITDM support at a glance



Funded by
the European Union

ITDM project objectives

ITDM төслийн зорилго



Overall objective

Promote green, sustainable and inclusive development.
Diversify international trade.
Utilize benefits of WTO membership and EU GSP+ privileges.

Ерөнхий зорилго

Ногоон, тогтвортой, хүртээмжтэй хөгжлийг дэмжих.
Олон улсын худалдааг төрөлжүүлэх. ДХБ-ын гишүүний болон ЕХ-ны хөнгөлөлтийн ерөнхий схем (EU GSP+)-ийн үр ашгийг бүрэн ашиглах.

Specific objective 1:

Effective trade policies for sustainable and innovative sectors.

Specific objective 2:

Efficient trade of SMEs in EU and regional markets

Тусгай зорилт 1:

Тогтвортой, шинэлэг салбаруудад чиглэгдсэн худалдааны бодлогын үр нөлөөг нэмэгдүүлэх.

Тусгай зорилт 2:

ЕХ болон бүс нутгийн зах зээлд ЖДҮ-ийн худалдааны үр ашгийг нэмэгдүүлэх.

C1: Trade policy

Effective trade strategy and international cooperation.

C2: SME Export Framework

Increased capacity of SMEs to export.

C3: Export Clusters

Comprehensive support for SMEs from export clusters.

БХ1: Худалдааны бодлого

Экспорт ба олон улсын хамтын ажиллагааг үр өгөөжтэй болгоход чиглэсэн худалдааны бодлого.

БХ2: ЖДҮ-ийн экспортын хүрээ

ЖДҮ-ийн экспортын чадавхыг сайжруулах.

БХ3: Экспортын кластер

Экспортын кластерын бүрэлдэхүүнд багтдаг ЖДҮ-дэд чиглэсэн цогц дэмжлэг.

In 3 components 20 main activities with over 120 measures.

2023 to 2027 with incidental expenditure budget of 1.5 million EUR .

900 work-days national and international short-term experts and 2 permanent key experts.

3 дахь бүрэлдэхүүн хэсэг нь 120 орчим дэд үйл ажиллагааг багтаасан 20 үйл ажиллагаатай. 2023-2027 оныг хүртэл хэрэгжүүлэх үйл ажиллагаанд зарцуулах төсөв нь 5.5 тэрбум орчим төгрөг байна. Үндэсний ба олон улсын БХ-ны зөвлөхүүд 900 хүн өдөр ажиллах ба 2 үндсэн зөвлөхтэй байна.

Draft National Export Strategy - Vision for the Superfood sector

Mongolia, a premium supplier of pine nuts, sea buckthorn and biodiverse plants, globally renowned for their uniqueness and ecological sustainability.

C1: Trade Policy

Partners

Relevant and participating public stakeholders

Methods

Capacity building, research, consultation, coaching.

Topics

National Export Strategy
International Trade Agreements
WTO Trade Facilitation Agreement
National Trade Facilitation Committee
Trade related laws
Geographical Indication (GI)

Түншүүд

Холбогдох болон оролцогч төрийн байгууллагууд.

Арга

Чадавхийг бэхжүүлэх, судалгаа шинжилгээ хийх, зөвлөгөө өгөх, коучинг.

Сэдэв

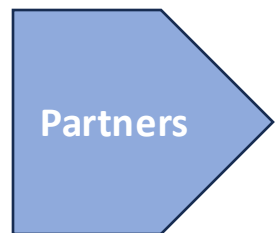
Үндэсний экспортын стратеги
Олон улсын худалдааны хэлэлцээрүүд
ДХБ-ын Худалдааг хөнгөвчлөх хэлэлцээр
Худалдааг дэмжих үндэсний хороо ажиллаж байна.
Гадаад худалдааны хууль
Газарзүйн заалт (GI)

БХ 1: Худалдааны бодлого

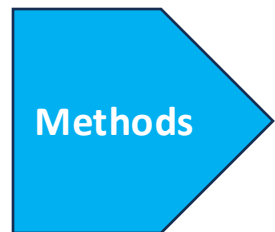
ECONOMIC
INSTITUTE

1962

C2: SME Export Framework



Public organizations,
private actors, exporting SMEs,
marketing channels,
certification bodies.



Public Private Dialogue (PPD),
awareness raising,
marketing support,
consultation, coaching.



Public Private Dialogue.
Coordinated foreign trade policy and
promotion.
GSP+ utilization.
Certification, registration, compliance.
Access to Export Financing.
Marketing channels in target markets.



Төрийн байгууллага,
хувийн хэвшлийн, оролцогчид, экспортлогч
ЖДҮ
маркетингийн суваг,
баталгаажуулалтын байгууллага.

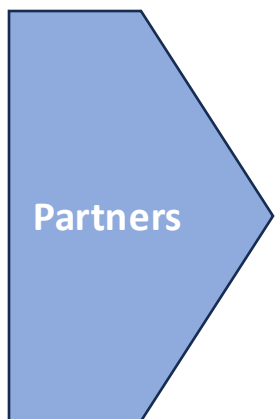


Төрийн хувийн хэвшлийн яриа хэлэлцээ (PPD),
мэдлэгийг дээшлүүлэх,
маркетингийн дэмжлэг,
зөвлөгөө, коучинг.



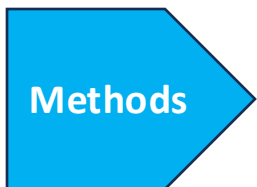
Төрийн хувийн хэвшлийн яриа хэлэлцээ
Төрийн байгууллагуудын уялдаа холбоотой
гадаад худалдааны бодлого.
GSP+ ашиглалт;
Баталгаажуулалт, бүртгэл, нийцэл
Экспортын санхүүжилт авах боломж;
Зорилтот зах зээл дэх маркетингийн сувгууд

C3: Export Clusters



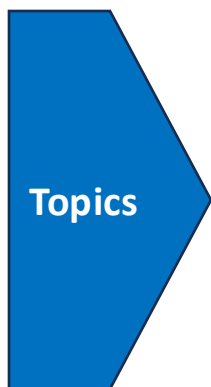
Partners

MoFALI,
Export Cluster Support Organizations
(MNCCI, MECN),
Export Clusters,
Exporting SMEs,
capacity developers, research
institutions.



Methods

Training, awareness raising,
management support, R+D,
consultation, coaching.



Topics

Export Cluster Policy
Export Clusters (old, new)
Services of Export Clusters, ECSOs
Market intelligence; Online Platforms;
R+D for innovative, sustainable products;
Circular Economy



Түншүүд

БХ 3: Экспортын кластер

ХХААХҮЯ

Экспортын кластерийг дэмжих байгууллагууд
(МҮХАҮТ, Монголын Экспортын Кластер
Сүлжээний),
Экспортын кластерууд,
экспортлогч ЖДҮ,
чадавхи хөгжүүлэгчид, судалгааны
байгууллагууд.



Арга

Сургалт, сурталчилгаа,
удирдлагын дэмжлэг, R+D,
зөвлөгөө, коучинг.



Сэдэв

Экспортын кластерын бодлого
Экспортын кластерууд (хуучин, шинэ)
Экспортын кластер болон ECSO-ийн үйлчилгээ
Зах зээлийг багцаалсан судалгаа
Онлайн платформууд;
Шинэлэг, тогтвортой бүтээгдэхүүний R+D
Тойрог эдийн засаг

ITDM main public and **private** partners

ITDM төслийн төр ба **хувийн** хэвшлийн гол түншүүд



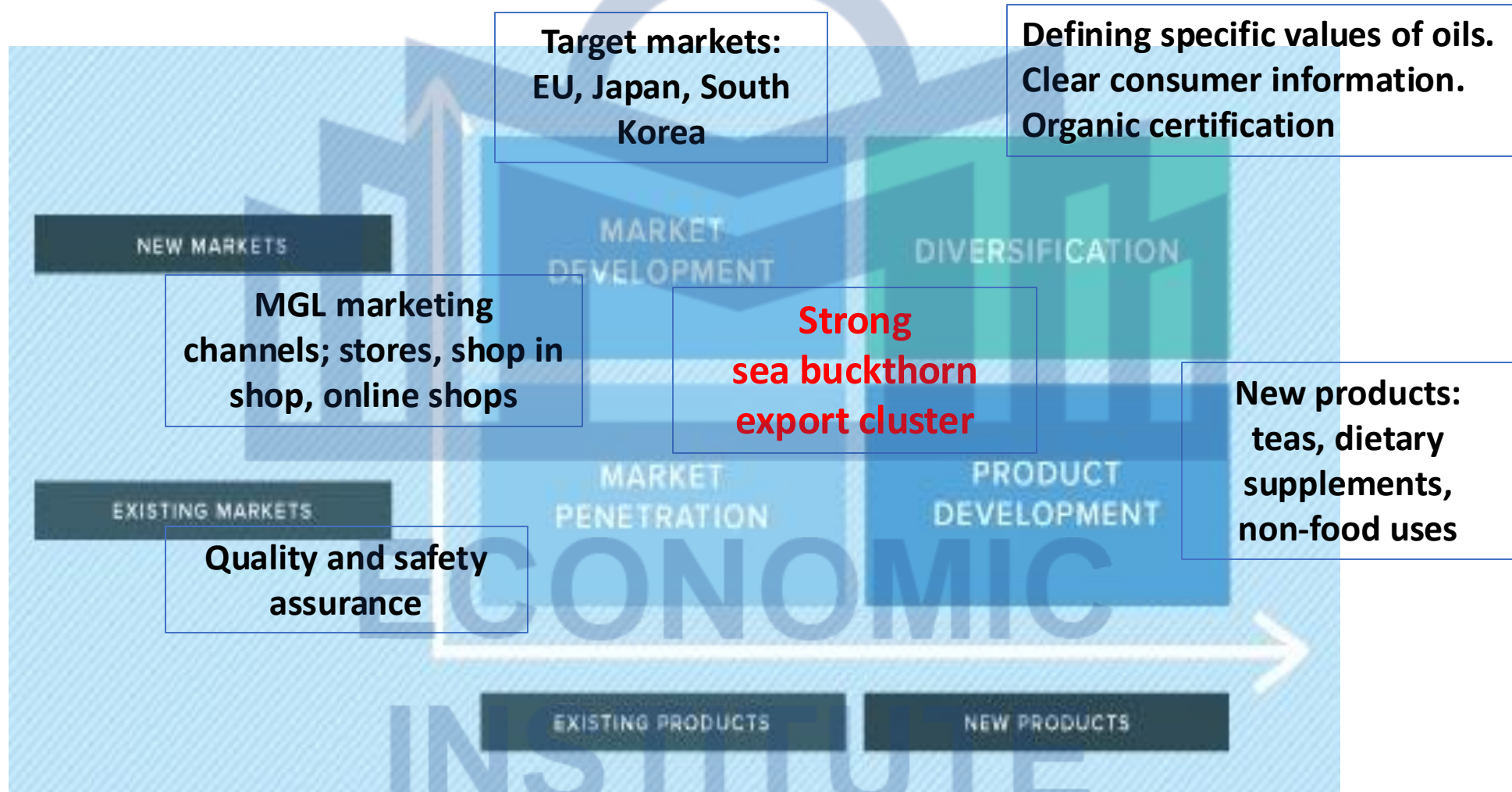
Sector associations



Further export clusters
Цаашид экспортын кластерууд



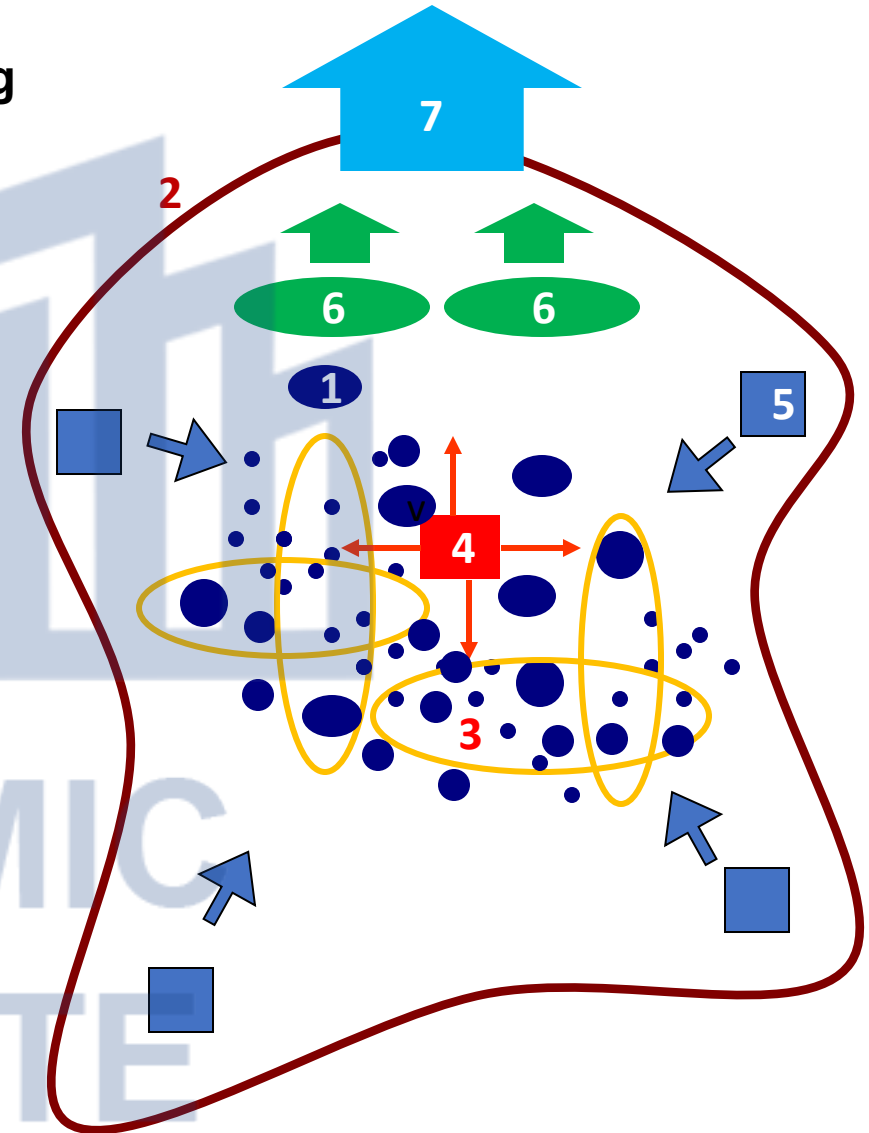
Development strategies for increased export of Mongolian sea buckthorn oil. (Strategic growth opportunities matrix)



Definition and elements of export clusters

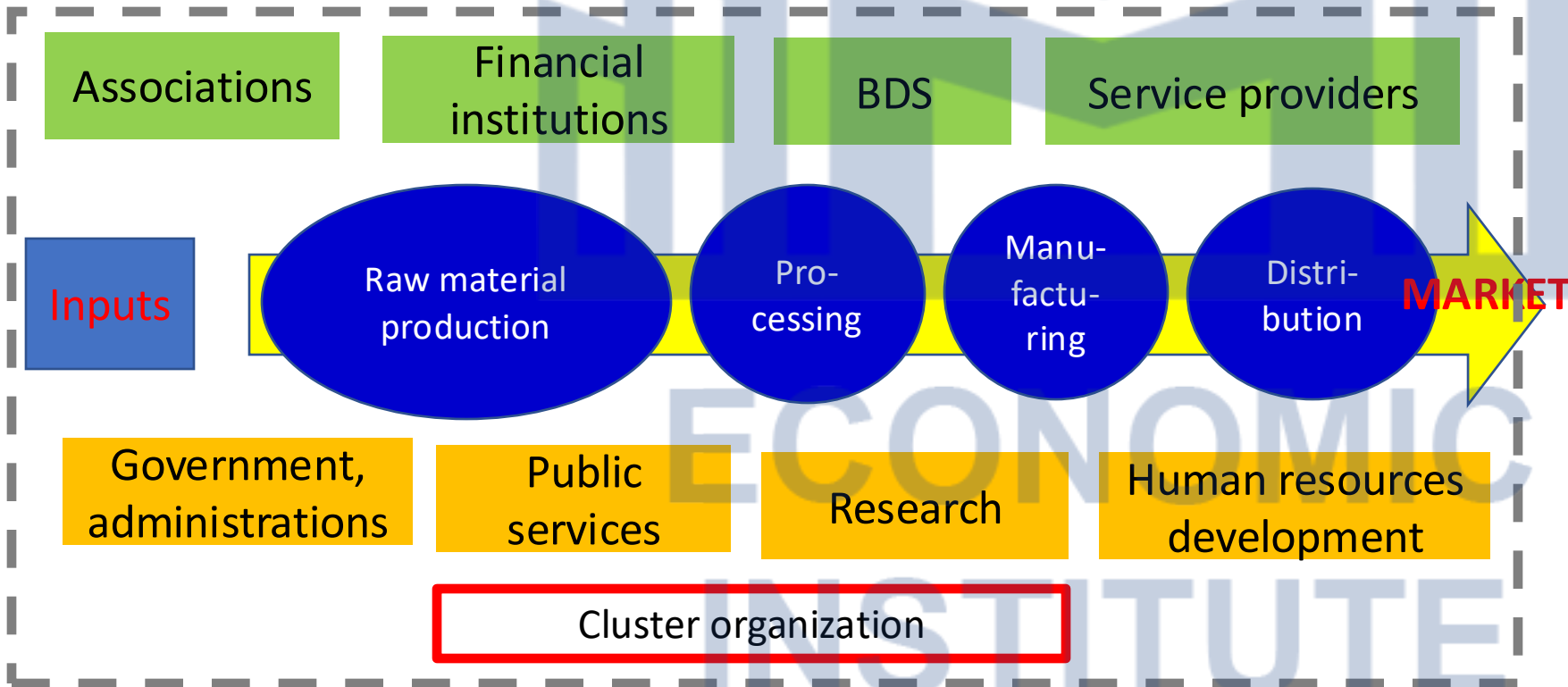
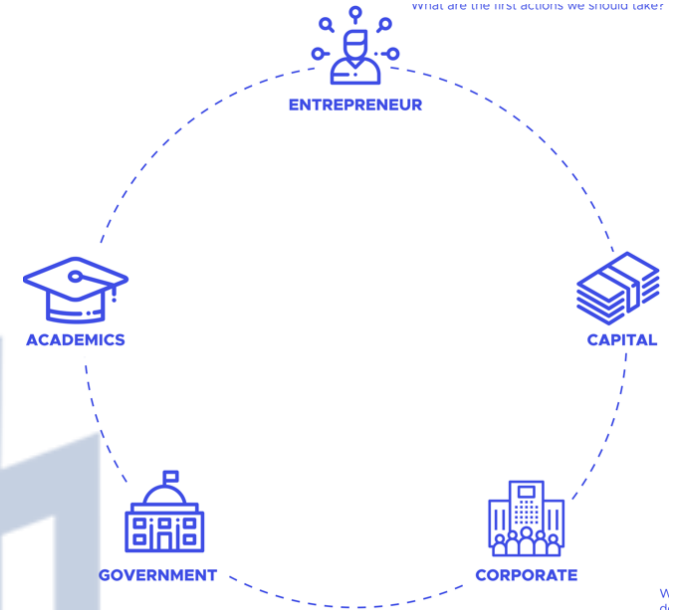
The export cluster is an ecosystem for cooperation and targeted export development in an industrial sector aiming at improving competitiveness and at supporting international market access.

1. Enterprises of various sizes in the same sector.
2. Location in the same area (region/country).
3. Linked by **cooperation** (supply chain, business partners, association members)
4. Supported by a **coordination function** such as cluster organization.
5. Facilitated by **public institutions, service providers, development projects**.
6. Implement **joint projects/initiatives**.
7. Aim to develop **competitiveness** and to utilize **opportunities especially in international markets**.



Export cluster paradigm shift from triple helix to pentagon

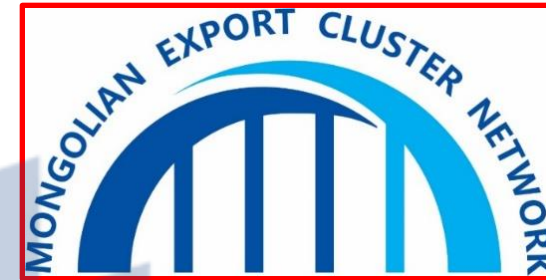
In the **export cluster** the value chain actors as well as public bodies, service providers and financial institutions establish an eco-system, which is coordinated by the cluster organization.



ITDM support for strengthening of the sea buckthorn cluster

Enabling framework:

Cluster policy, cluster development program, international best practices, Cluster export readiness tool;
Mongolian Export Cluster Network NGO



A new manager species: The cluster entrepreneur

- Discovers market and investment opportunities for group action.
- Motivates to work together.
- Consults development of business models.
- Sources funding for cluster projects.
- Supports managers and members.
- Shares knowledge of international markets.
- Team leadership on equal footing.



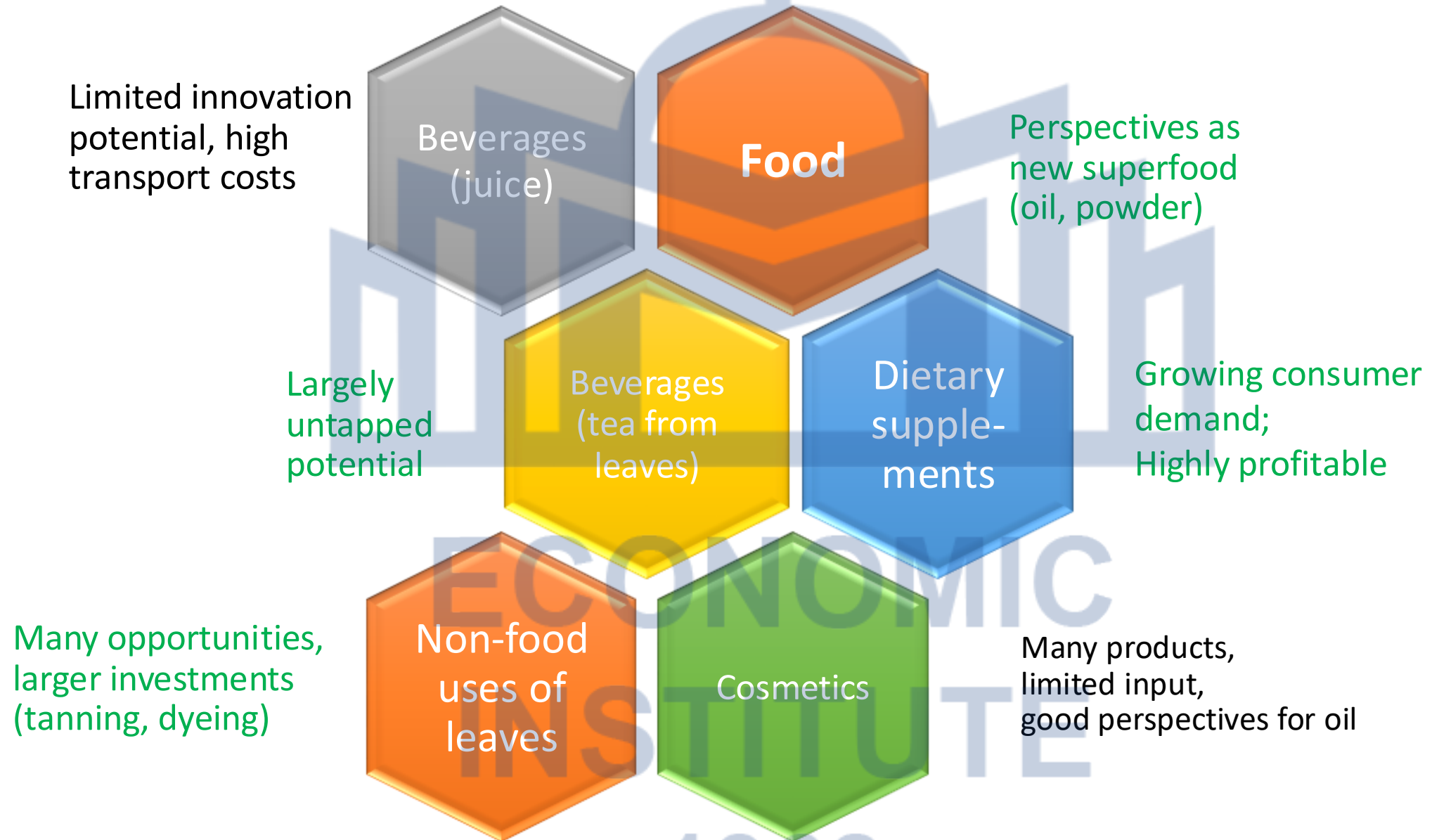
Human resource development:

Global Cluster Leadership Training; Cluster specialists training, Export Cluster coaches.

Overcoming export market challenges through cluster services.

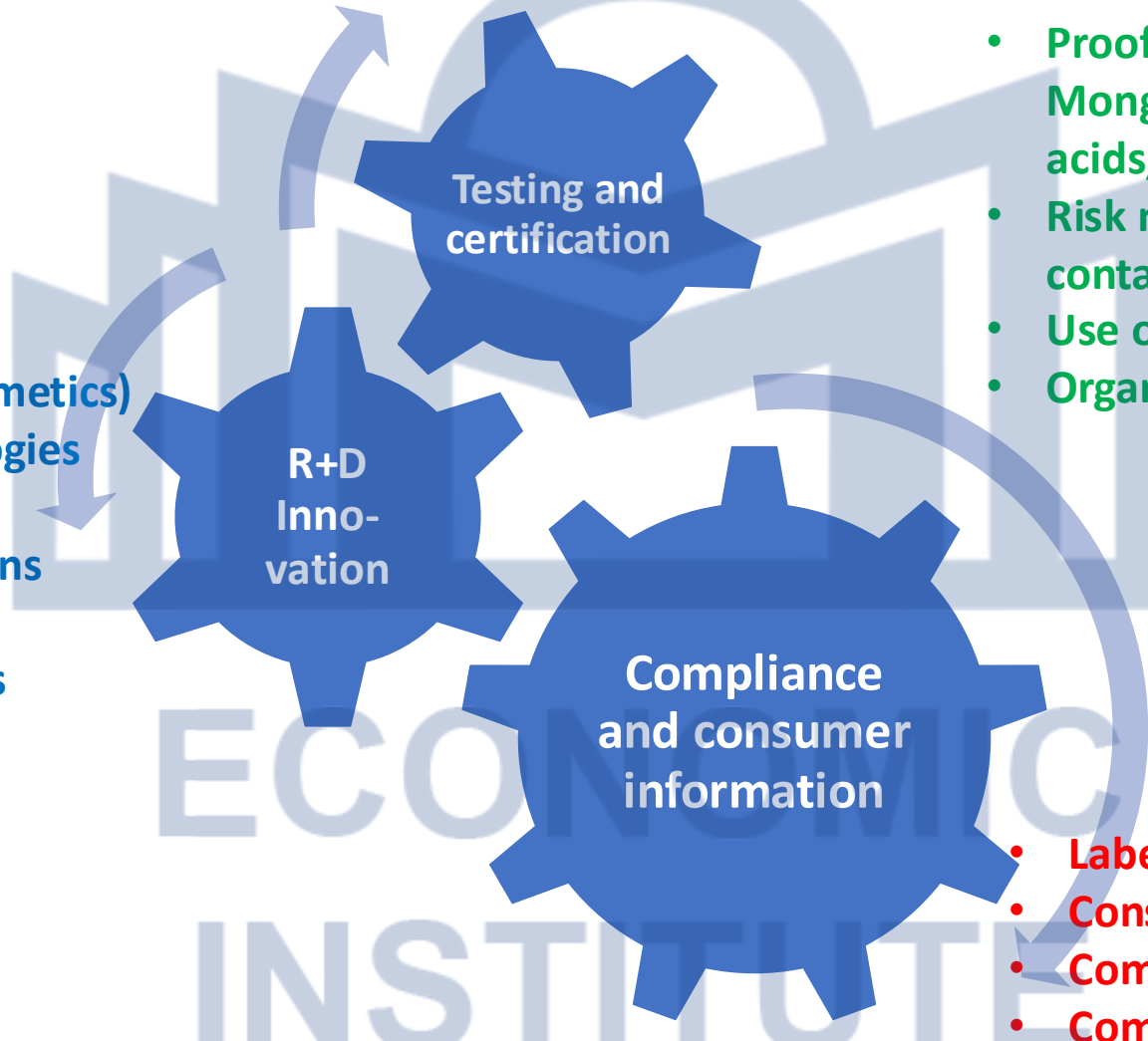
Challenges of sea buckthorn exporters	Cluster services
Need for <u>enabling framework through</u> government policies	Actor in Public-Private Dialogue
Changing <u>consumer preferences</u> (environment, health).	Joint market research
Demand for <u>high quality, innovative, sustainable products</u> .	Joint product research and development, shared production facilities (capsuling)
<u>High quality standards</u> (quality, compliance, environment).	Certification according to international (organic) standards.
<u>Traceable supply chains</u> from raw material to market.	All chain actors as cluster members; IT based traceability systems.
Difficult <u>market entry</u> .	Joint branding; consumer information and labelling; trust through code of ethics.
Costly <u>marketing channels</u> .	Joint marketing strategy, use of dedicated Mongolian stores, online shops; common pricing policy based on value
Insufficient access to <u>export finance</u> .	Dialogue with banking sector for new credit products (factoring).

Product diversification and growth perspectives in export markets



ITDM support for product development

- New products (food, cosmetics)
- New processing technologies (capsule filling plant)
- New non-food applications (tanning, dyeing)
- Joint production facilities



- Proof of specific nutritious values of Mongolian Sea buckthorn (fatty acids, vitamins)
- Risk management for pesticides and contaminations
- Use of accredited laboratories in EU
- Organic certification



EU organic food label

- Labelling and claims check
- Consumer information
- Compliance with import regulations
- Common branding

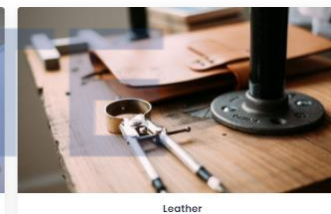
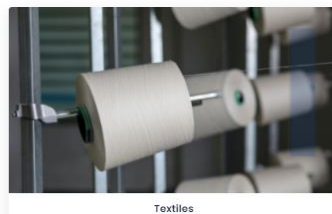
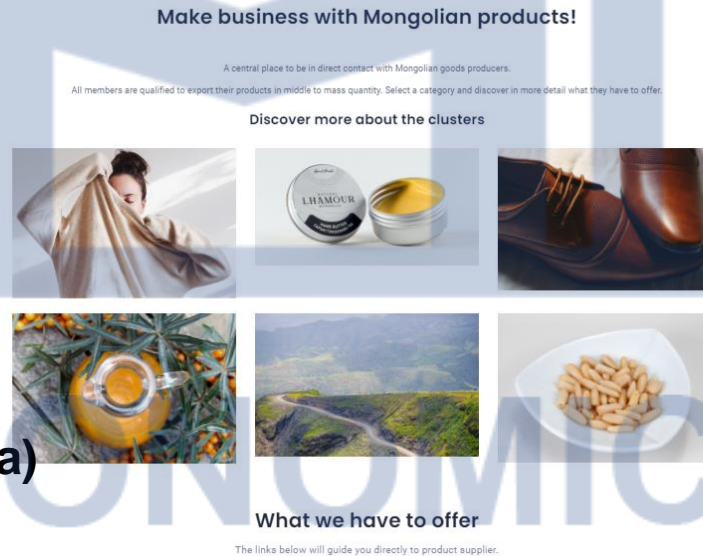
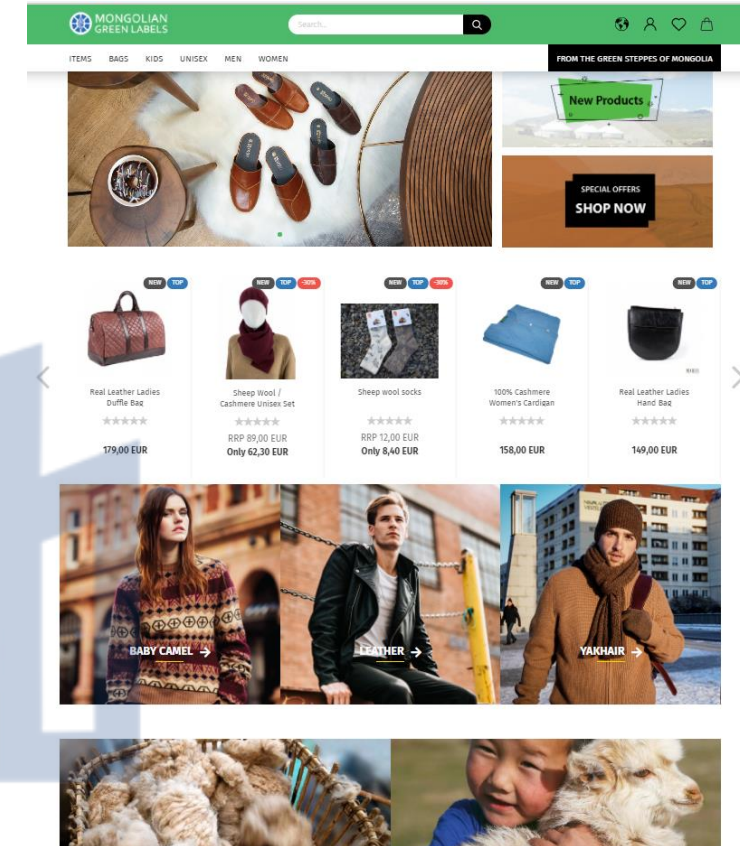
ITDM support for classic marketing channels

- **Mongolian Green Labels (MGL) as roof brand for sustainable, exquisite and unique products for participating export clusters and their SME members.**
- **Mongolian Information and Trade Promotion Centers (ITPC) as information hub for business partners.**
- **Central business and logistical functions of ITPC/MGL store in Berlin.**
- **Options for sales facilities: MGL brand store, shop in shop, pop up store, sales trade fairs.**
- **Expansion of ITPC/MGL network in EU (Germany, Belgium, Sweden) and the region (Japan, South Korea, Central Asia).**
- **ITPC presents products in international B2B trade fairs at lower costs.**



ITDM support for online and social marketing channels

- Improved MGL online shop www.mongolian-green-labels.eu to cover all of Europe.
- Online product catalogue www.made-in-mongolia.com of the Mongolian Export Cluster Network (MECN).
- Advertising campaigns for Mongolian products.
- Utilizing networks of business organizations (MNCCI, EuroChamber, bilateral associations).
- Integrating networks of Mongolian Embassies and Honorary Consuls
- Mongolian communities abroad (diaspora) as business partners and investors.



Growing together: Planned ITDM support for the sea buckthorn cluster.

Market access (MGL stores in Europe, Japan, Korea.)

B2B online product catalogue www.made-in-mongolia.info

B2C online shop (www.mongolian-green-labels.eu)

International (organic) certification of sea buckthorn products.

Compliance with import requirements

Competent consumer information (labelling).

Common branding for international markets.

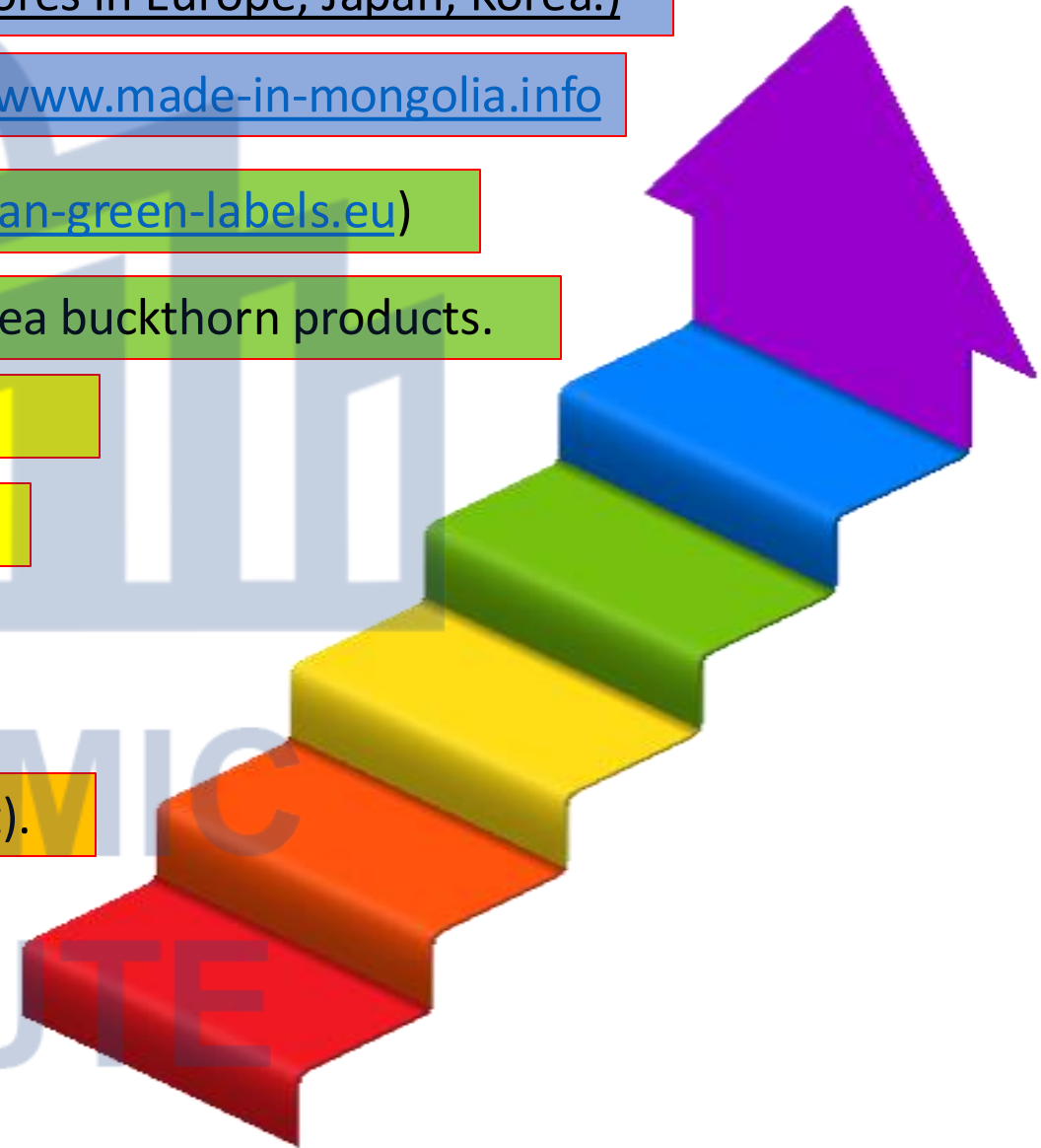
Market research and export marketing strategy.

Consulting joint production facilities (capsuling plant).

Product R + D (teas, dietary supplements, superfood)

Product testing (proofof product values, excluded risks.)

Strengthened cluster (Pentagon, entrepreneurship)



We thank for your attention,
and we look forward to
our cooperation.



ITDM Office in the MFA

Ministry of Foreign Affairs of Mongolia,
Peace Avenue 7A,
Ulaanbaatar 14210
Room 407

Mr. Stefan Moser
Team Leader and Key Expert 1 for
Trade Policy
Mobile: +976 99943860
E-Mail: Stefan.moser@gopa.de

Project Assistant:

A. Purevdavaa
Mobile: +976 99084635
E-Mail: purevdavaa.anaga@gopa.de

Project Accountant:

B. Batzul
Mobile: +976 99006864
E-Mail: batzul.bazarkhand@gopa.de

www.itdm-mn.eu

ITDM Office in the MNCCI

Mongolian National Chamber of
Commerce and Industry (MNCCI),
Mahatma Gandhi Street, 15th khoroo ,
Khan-Uul District, Ulaanbaatar 17011
Room 309

Mr. Carl E. Krug
Key Expert 2 for Private Sector
Development
Mobile: +976 95685480
E-Mail: carl.krug@gopa.de

Project Assistant:

Ts. Tserendejid
Phone +976 77006854
Mobile: +976 99749900
E-Mail: tserendejid.tsegmed@gopa.de

This project is implemented by GOPA
Worldwide Consultants GmbH, a member
of the GOPA consulting group Germany.

Анхаарлаа хандуулсанд
баярлалаа. Хамтран ажиллахдаа
баяртай байх болно.



ITDM төслийн ГХЯ дахь оффис

Монгол Улсын Гадаад Харилцааны
Яам, Энх Тайвны өргөн чөлөө 7А,
Улаанбаатар 14210
Өрөө 407

Stefan Moser
Team Leader and Key Expert 1 for
Trade Policy
Mobile: +976 99943860
E-Mail: Stefan.moser@gopa.de

Төслийн ажилтан:

A. Пүрэвдаваа
Гар утас: +976 99084635
Имэйл: purevdavaa.anaga@gopa.de

Төслийн нягтлан бодогч:

Б. Батзул
Гар утас: +976 99006864
Имэйл: batzul.bazarkhand@gopa.de

www.itdm-mn.eu

ITDM төслийн МҮХАҮТ дахь оффис

Монголын Үндэсний Худалдаа Аж
Үйлдвэрийн Танхим (МҮХАҮТ),
Махатма Ганди гудамж, 15-р хороо,
Хан-Уул дүүрэг, Улаанбаатар 17011
Өрөө 309

Карл Круг
(Хувийн хэвшлийн хөгжил хариуцсан
үндсэн зөвлөх)
Гар утас: +976 95685480
Имэйл: carl.krug@gopa.de

Төслийн ажилтан:

Ц. Цэрэндэжид
Утас: +976 77006854
Гар утас: +976 99749900
Имэйл: tserendejid.tsegmed@gopa.de